

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:5151
ANSWERED ON:21.12.2000
DEMANDS OF EMPLOYEES WORKING IN BEL
KOLUR BASAVANAGOUD

Will the Minister of DEFENCE be pleased to state:

- (a) whether there is a move to cut HRA and rate of increment in the revised pay structure of employees of Bharat Electronics Ltd., and
(b) if so, the details thereof?

Answer

MINISTER OF DEFENCE (SHRI GEORGE FERNANDES)

(a) & (b): According to directives applicable to all public sector undertakings, the House Rent Allowance (HRA) payable to employees would be a percentage of the basic pay, but such percentage would differ from place to place depending upon the classification of the city/town. Since the number of rates of HRA have been reduced to four from the earlier five, and the cities/towns also stand reclassified, employees residing in certain cities/towns may now be entitled to lower rates of HRA. In the case of executives, such directives have been implemented by BEL. As regards HRA for non-executives, an MOU has been signed between the management of BEL and the negotiating trade unions on the basis of the same directive. However, in both cases actual HRA being received by individual employees under the earlier system would be protected irrespective of the change in classification of the city/town in which they reside. In the matter of increment of non-executives as per the earlier system, the increment in a pay-scale was being given as a percentage of the basic pay. In the MOU now signed with the non-executives, the increment in a pay-scale would be a fixed amount. However, the last increment drawn by an individual employee would be protected.